



Child Care Solutions:
It's Good Business

Getting Started

BEGIN WITH CAREFUL PLANNING

The first step in developing child care policies and programs in your company or in your community is to determine your objective. It's not a matter of how many policies you offer, but what policies and programs will work for you, your employees, and your community.

Taking the time for careful planning is an important component of successful child care policies and programs. This planning process requires you to develop specific knowledge about:

- your own business;
- your employees' needs; and
- the resources and needs in your community.

IDENTIFY CHAMPIONS

Leaders or champions in your business are the ones who will help others in your company and/or community to understand and embrace the child care policies or programs that you seek to develop and implement.

Strong leadership, either from top levels of management or from human resource

departments, is essential to the success of any child care program.

FORM A TASK FORCE

Many businesses begin the planning process by establishing a committee or task force to assess and analyze needs and resources, develop options, and manage the decision-making process.

The composition of the task force is extremely important. If possible, task force members should include:

- line employees from several levels;
- representatives of top and mid-level management;
- a diverse age group;
- male and female employees;
- employees with and without child care needs;
- union members; and
- personnel management staff.

You also might want to include legal or financial experts.

Make sure that your employees are clear about the purpose and goals of a task force. If you are simply exploring options or only considering a certain set

of policies, let employees know this information up front. In this way, you can avoid raising employees' expectations for unrealistic outcomes.

From the start, the working group should be charged with clear objectives. The group also needs a time frame for its efforts, along with mechanisms for communicating regularly with and getting feedback from the highest levels of management.

The task force will likely be charged with gathering information about the needs of the employees, the company's resources and constraints, and the needs and resources of the community. The task force may also analyze the advantages and disadvantages of various policies and programs; develop ways to evaluate adopted programs and policies; and make recommendations to management.

If you are a small business owner, a task force may not be necessary. Instead, you might want to convene a meeting with your employees or with a small group of interested individuals. You may also want to explore collaborative options with other small business owners.

BUSINESS SELF-ASSESSMENT

The next step in the planning process is to assess the specific needs and limitations of your own business. This information is critical for analyzing what

types of child care assistance will help meet your specific business goals.

The following list includes some of the questions to ask in a business self-assessment:

- How does the business view child care and other work-life issues?
- What factors are considered key in attracting and keeping employees with the company?
- What business goals can be advanced by helping employees with child care?
- What policies, programs, or benefits for working parents do you currently have in place? How are employees using these policies or programs?
- What are the limitations on what you can do? These might include budget constraints or logistical problems.

Some of the information needed to address these questions may be gathered from personnel, budget, or management records. Information on the local labor force may be obtained from local or state labor or development agencies. In some instances, the information that is needed must be obtained directly from employees.

PROBE EMPLOYEES' NEEDS AND PREFERENCES

The next step is to gather and analyze information about your employees, including how their child care arrangements affect their jobs and what kinds of assistance they feel that they need. If you are concerned about recruitment, knowing about the needs of potential new employees can also be important.

Various methods exist for exploring employee needs and concerns for child care assistance. The most common tools are surveys and focus groups. Surveys can reach many employees quickly through handouts, mail, e-mail, or even phone calls. Results are also readily tabulated and can be easily summarized in quantitative terms. However, it may be difficult to get enough employees to respond, and designing a survey can be challenging.

Focus groups, on the other hand, can provide more information about why

employees hold certain views or why they rank alternatives in particular ways. They also can provide more detailed information and they are easily tailored for different groups of employees.

If a questionnaire is to be used, it is better to survey employees anonymously or to use an outside consultant, as some employees may fear that their responses will jeopardize their employment. It is also important to present a survey in as neutral a manner as possible in order to avoid raising employee expectations before any decision-making has taken place. Regardless of the technique, issues to explore in assessing employees' needs for child care or work-life policies include:

- What are the demographics of employees, such as age, marital status, presence of children, income, and education?
- What do employees see as barriers to doing their job well?

Other Techniques for Getting Employee Input

- *Child Care Seminars: Discussion groups hosted by the business and employee leaders provide opportunities to informally discuss child care needs and issues.*
- *Child Care Booths: The work group can arrange for employees to share their child care problems one-on-one with child care specialists at a "child care booth."*
- *Entry/Exit Interviews: Personnel departments can gather information on child care problems when employees either enter or separate from the business.*
- *Phone Line: Employees can communicate their comments anonymously.*

- What are employees' preferences and priorities for assistance in balancing work and family responsibilities?
- What issues are employees facing in the area of child care?
- Do employees see their current work environment as flexible and supportive of their needs?
- Do employees know about and understand how to use the programs and policies that are already in place? Do employees see any barriers to using them?

A local child care resource and referral agency can often assist in collecting this information.

COMMUNITY RESOURCE ASSESSMENT

Through a community resource assessment, the task force can identify what services are currently offered in the community and where there are gaps between what is supplied and what is needed. The task force can also use the assessment to explore ongoing community child care initiatives and to avoid duplication of services. Another use of the community assessment is to further corroborate the information gathered on employees' needs. Moreover, contact with the community can help identify experts able to advise the business and employees about the

most appropriate family-supportive policies.

At minimum, an assessment of community resources and needs should examine:

- What types of child care services are offered?
- Is there space available in these programs?
- What hours do these providers operate?

ELEMENTS FOR DEVELOPING SUCCESSFUL CHILD CARE PROGRAMS

1. Clear statement of the organization's commitment to the program or policy by top executives.
2. Dialogue among managers.
3. Dialogue with a cross section of the workforce.
4. Establishment of written policies.
5. Communication of new policies.
6. Management training in the use of new policies.
7. A plan to evaluate the implementation of the new policies or programs.
8. Management participation.

Source: Oregon Employer Tool Kit for Implementing Work/Life Programs, Oregon Child Care Division, 1997.

- What ages of children do providers serve?
- What are the average costs for these types of services?
- What services are other employers providing?
- What sources of outside funding are available to assist us in this effort?

Local child care resource and referral agencies, United Way organizations, and the Chamber of Commerce may be able to help you find this information.

ASSESSING COSTS AND BENEFITS OF CHILD CARE INVESTMENTS

Before implementing a new child care policy, you may wish to conduct a cost-benefit analysis on each of the options that you are considering. In many cases, quantifying both costs and benefits is hardly an exact science. However, by comparing estimated costs with expected benefits, you can begin to get an idea of the cost-effectiveness of various policies.

It costs 75% to 150% of the average annual salary to replace a working parent, but only 32% to provide parental leave.

Source: Friedman, Dana, *et al.*, *Parental Leave and Productivity: Current Research*, Families and Work Institute, 1992.

Cost-Benefit Analysis

Cost-benefit analysis may provide a useful tool to evaluate a proposed child care policy. This type of analysis works well in assessing the impact of child care policies and programs on factors that are easily quantifiable, such as reduction in turnover and absenteeism, and productivity gains. A worksheet for calculating costs of turnover and absenteeism is included for your use.

Cost-Effectiveness Analysis

It is more difficult to measure the impact of child care benefits on elements such as employee morale and recruitment, and public image than on turnover, absenteeism and productivity. For these elements, a cost-effectiveness analysis may be more useful. Cost-effectiveness analysis compares programs or policies that attempt to achieve the same results. This can illustrate how a given level of effectiveness can be achieved at minimum costs, or how maximum effectiveness can be achieved at various levels of costs. This type of analysis differs from cost-benefit analysis in that it tries to separate the costs of the program from its benefits. While costs are measured in numbers and units, benefits are not.